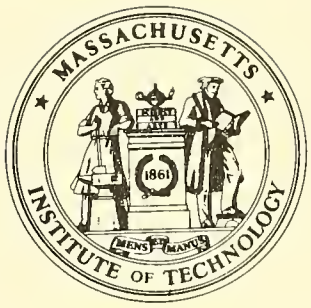

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MARKET, PLANNING, OR WARFARE? -- RECENT LAND-USE CONFLICTS IN THE UNITED STATES

Matthew D. Edel

Number 41 June, 1969

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MARKET, PLANNING, OR WARFARE? -- RECENT LAND-USE CONFLICTS IN THE UNITED STATES

Matthew Edel*

> Land use planning in any comprehensive sense really does not exist in our large urban areas. What does exist is a complex game of chess among localities, each attempting to palm off the undesired applicants for urban space upon their neighboring communities... This is warfare, not planning.
>
> Raymond Vernon /16/

Urban expansion in the United States traditionally proceeded on the basis of a market mechanism. Private interests developed land around the city for new housing. Older housing filtered down to lower income groups. The market thus improved the stock of housing for all income groups, and apart from a few suburbs which used zoning to exclude particular land users, no group had a general incentive to disrupt the consensus on the market. Economists could show, as well, that this market tended to maximize land values and welfare.

More recently, however, some of those high-income groups which traditionally moved furthest from downtown have tried to return to the central city. This has disrupted the old consensus. The return to the center requires planning; it can also cause conflict. The market can no longer serve everyone's interest, and the planning which replaces it harms some groups while helping others. Low and middle income groups have an incentive to use

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FN * The author thanks John Mendeloff, Robert Goodman, and Jerome Rothenberg for assistance in suggesting sources.

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political means against this plan.

I. THE MARKET MODEL AND THE TRADITIONAL CONSENSUS

Euilibrium models of land use, such as those of Alonso /1/, Mills /9/, and Wingo /18/, show how people's desires for living space, for convenient access to their jobs, and for consumption goods, (when constrained by differing incomes) are converted into a market demand for urban real estate. Many of these models describe a situation in which the rich prefer spacious living to residence near their jobs, while the poor are forced by their low incomes to prefer convenient access (low travel expenditure) to space. These models show that the poor will live in the center of the city, and the rich in suburbs, if these assumptions hold. More technically, the job market is assumed to be centered downtown. Then, if the demand for space is more elastic to increased income than is the demand for access, or if sensitivity to price is greater at lower incomes, an allocation of land is determined in which land values decrease with distance from the center of a city, the well-to-do live furthest from that center, where they can acquire abundant land, and those of lower and lower incomes live closer and closer to the city's core, accepting greater crowding to obtain decreased transport and rental costs. Figure One shows the prices of land at each distance from the center that each group will sustain. Each plot of land is allocated by the market to the highest bidder at that distance

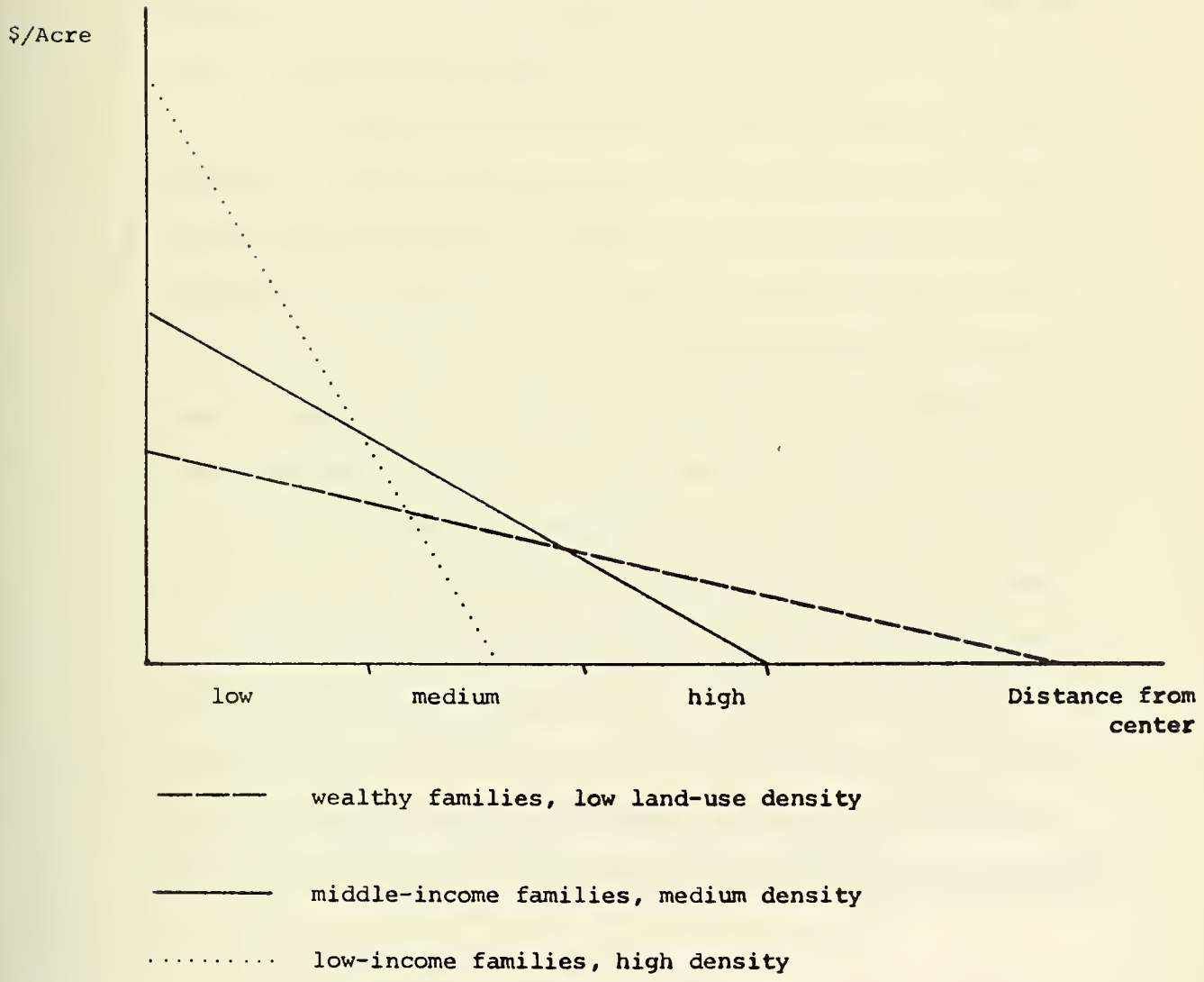
from the center of town given the distribution of incomes. Thus the model shows the total value of land is maximized. The city of ringed settlement is the city of efficiency.

These models describe a situation which approximates the traditional pattern of urban development in the United States, even though there is much that they omit. These models present land only as space which is uniform in all respects save distance to the center of the city. They do not show how land can be encumbered by old structures, not easily convertible from one use to another, nor how legal impediments, charters and zoning codes can affect land use. They do not speak of the distribution of income apart from its effects on demand curves for space. The feelings of envy, hatred, esteem or paternal regard that those of different income levels may feel toward one another are of no account in these models, nor are emotions attached by residents to their neighborhoods. Nonetheless, for a long time these models approximated reality.

A number of authors have pointed to the incompleteness of market models which mapped the city as concentric rings, only to suggest changes that did not modify them greatly. Homer Hoyt suggested an alternative pattern of sectors, radiating out from the center along lines of transportation. /6/ Different sectors might house different ethnic or religious groups. However, within each sector, the concentric pattern prevailed, with high-rent housing farthest out.

FIGURE ONE

BID-PRICE CURVES FOR AN ACRE OF LAND AT VARYING DENSITIES AND DISTANCES FROM CENTER ACCORDING TO ALONSO MODEL



Walter Firey pointed out the "historically contingent character of all our urban land uses and their reflection of cultural and social systems." For example, he pointed to historic sentiments about Beacon Hill and the Common in Boston as conditioning the use made of this land, and keeping it in upper-class housing and parkland, when surrounding areas decayed. /4/ But these studies pointed only to slight deviations from the general model.

The market model was also viewed at times as inappropriate for some other countries or historical epochs. In many underdeveloped countries, the poor live not downtown, but in shantytowns surrounding the cities. The same was true around some American towns during the nineteenth century. But the market model can be extended to encompass this phenomenon. If the poor value time at a low rate compared to money, they may be willing to live at the edge of town to save on rent. In a small city they may walk to work; in a larger city, if cheap but slow public transportation is provided, they still find it optimal to commute. Meanwhile, if the gap between incomes of the wealthy and the middle class is great enough, and if there are few major land-using businesses downtown, the wealthy can indulge their desire for spacious living with ample town houses

at the center of the city.[1] Such a market is shown in Figure Two.

The aging of houses, and the difficulty of replacing old structures also failed to disturb the market equilibrium in the first half of the twentieth century. Population of cities was growing at a moderate pace, and incomes were increasing. Land values were bid up, leaving the well-to-do to move further into the suburbs to indulge their increasing preference for space. They vacated houses into which the middle class could move. The older houses of the latter, near the center of the city, were in turn converted into apartments for the poor. Indeed one could derive a model of a similar, ringed pattern of metropolitan space from a positive income elasticity for new, rather than more spacious facilities.

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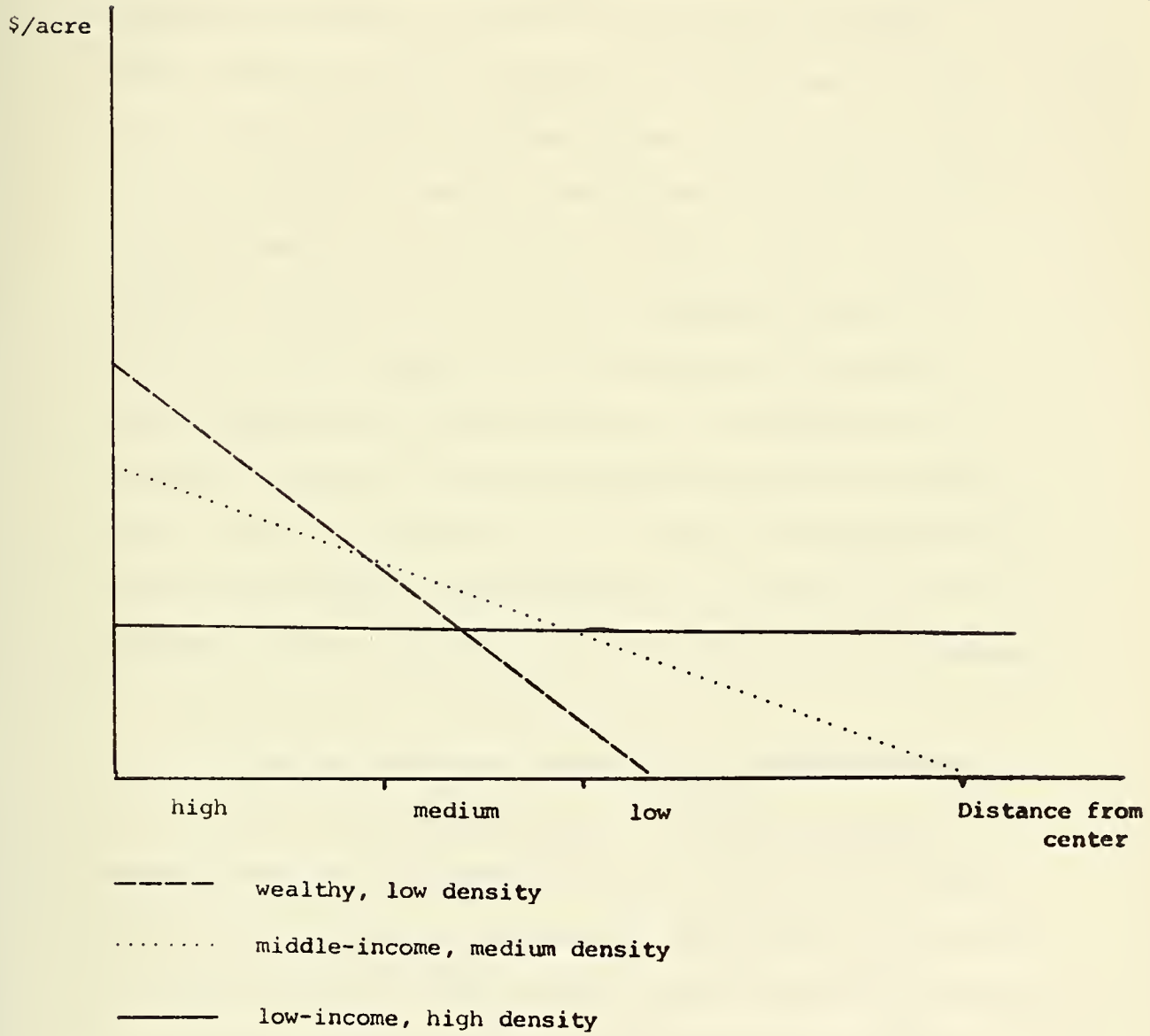
[1] Other elements enter into the pattern: the poor may benefit from building shacks on the edge of town, and slowly improving them to the state of being decent homes, because this is a manner for slow capital formation (buying a few bricks at a time) and direct investment of spare time (laying the bricks oneself). The wealthy, particularly if they are a traditional elite as in some Latin American cities, may be attached to particular homes for emotional reasons. But as with the desire of the upper middle class in Hoyt's model to move to suburbs near those of the very rich for prestige reasons, these other factors of emotion or capital formation simply parallel the market allocations of land.

FIGURE TWO

BID-PRICE CURVES WHEN TRAVEL TIME IS A
FREE GOOD FOR THE POOR AND CHEAP
FOR MIDDLE INCOME FAMILIES



Nor, in the first half of this century, was there any difficulty with the market model through its exclusion of political variables. Political factors can upset markets, but in the case of urban land use, they did not. Rather they stabilized equilibrium. Many writers have interpreted the American political system as based on the achievement of consensus between different interest groups. If a policy can be found which is, in a sense, a "vector-sum" of particular interests, then serious conflict can be avoided. A policy which benefits all groups somewhat (if not necessarily equally) can do this. In the language of the economist this is a policy which unambiguously increases welfare. In the arena of the economy, such a policy may be one which increases total production, so that all can share in the increase, in some proportion, rather than fighting over the division of a constant pie. The traditional urban real estate market did this, and thus consensus on letting it operate was easily obtained.

The way this worked was explained in Raymond Vernon's 1961 lectures, The Myth and Reality of our Urban Problems. /16/ Vernon showed how the expansion and growth of the city, through construction of high-cost homes at the edges, led to a filtering of older buildings to lower-income groups, so that all benefitted. He contended "that the clear majority of Americans who live in urban areas look on their lifetime experience as one of progress and improvement, not as one of retrogression; that they see their lot as being better than that of their parents and confidently

expect their children to do better still," and that therefore the mass of the population could not be aroused to crisis policies for the city. Indeed he predicted that even problems of taxation could not bring the middle class "shouting into the streets" nor that, given filtering, and some consequent decrease in slum population density, was there serious trouble to expect. "The trend," he wrote, "is not clearly retrogressive. Once more there is no clear evidence of the taut stretching of a rubber band close to its breaking point." /16:

Vernon did point to a few local interferences with the land market. Where suburbs were separate incorporated towns and villages, rather than part of the city, residents could use the zoning power to limit residence to those who could afford homes above a certain price or size. This could slow the outward movement of the middle class at the expense of the upper, or the encroachment of the lower-middle on the upper-middle. This led, he said, to a sort of "game of chess among localities", as each tried to avoid being the community entered when some lower income group expanded. However, many of these barriers did not last for long. There were usually loopholes, and even if new construction could be regulated, older buildings would eventually be divided into lower-priced units. At this point, Vernon wrote, "the monolithic facade of community interest is cracked, broken by the internal conflict between the holders of the new homes and the sellers of the old."

Thus Vernon saw the process continuing, to the benefit of most:

> Once more, the rich will be pushed outward... Once more, the middle-income group will move on, placidly pulling their job market with them. Once more, the poor will spread out, in the expanded leavings of their financial betters. /16/

The process, he felt, would continue because there remained a large supply of empty space around cities, because transportation facilities could reach that land, because many jobs could continue to move towards the suburbs, and because the overwhelming majority of Americans would be satisfied with the process. The only group to lose land in the process might be farmers, and they generally received enough profit from the sale to leave them content. The only ones dissatisfied were the monied and the intellectual elites. These groups had interests in the central city. Their jobs and cultural institutions were there. Banks, company head offices, newspapers, universities, museums and concert-halls, and other facilities represented heavy investments in or near downtown areas. Nor could they be decentralized, both because their scale demanded that they serve the entire metropolitan area and kept them at its center of gravity, and because they required face-to-face contacts in their operations, and could not move to separated parts of the city.

As the city grew, these elites had to absorb greater and greater commuting costs, in money and time, to satisfy their need for space (and indeed for security which the central city also came to lack). They would complain of an urban crisis, Vernon predicted, but their cries would fall on deaf ears. Since nobody else shared their complaint, they would adjust. That those few burdens created by urban spread fell on the rich was if anything equitable. They could bear it best.

II. CONSENSUS LOST

At this point, however, the market model showed its incompleteness. Dissatisfied elites can upset equilibria; almost by definition they are the groups which can use the political process and other institutional forms to contravene the working of a market. This has happened in recent years. Rising incomes, the pressure of increasing urban populations on commuting, and the formation of record numbers of new families have led the well-to-do into action more concrete than the grumbling about exurbanite living prevalent in the fifties. They led to attempts to reconvert downtown areas to new uses.

The basic demand for downtown space can be analyzed by a variant of the Alonso model. Once commuting distances became great enough, and incomes high enough, it seems the income elasticity of demand for proximity to work and to cultural institutions may again become greater than that for space. This is true at least for families without young children. /13/ Rehabilitated town houses, large apartments,

and luxury high-rise condominiums, rather than slums, become the highest-value of downtown tracts of land, if these families bid on them. (Figure Three)

The reconversion of central city land to institutional, business or residential elite uses cannot, however, proceed through ordinary market operations. In the first place, the land is already in what are perceived as slums. A potential resident, although he has the wherewithal to bid away a single building, or parcel from its previous users, will probably not do so if it would make him the only member of his ethnic or economic group to enter a neighborhood.[2]

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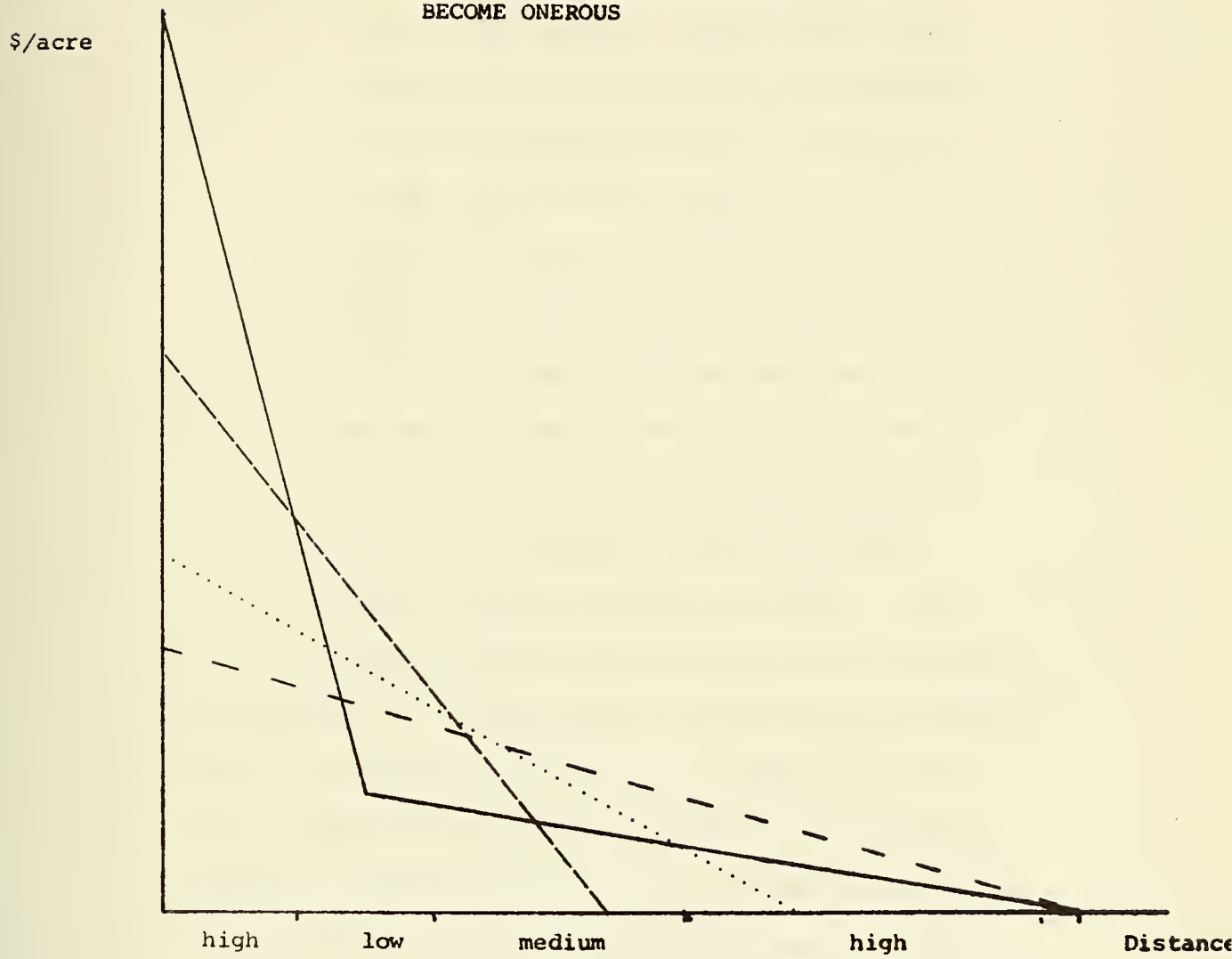
[2]The one exception to this is the entry of some single individuals or childless couples--generally students, architects, and other "bohemians"--into run-down neighborhoods with structurally sound buildings. These individuals repair their own housing, getting some satisfaction from the work itself as well as from the moderate costs. If enough such residents enter a neighborhood, it may eventually "tip" back to middle class use, as families can enter without feeling it is a slum they are moving into. Few people have the spirit to take part in this entering wedge, so spontaneous reconversion has been limited to a few localities.

FIGURE THREE

BID PRICE CURVES AFTER COMMUTING HAS BECOME ONEROUS



The only possibility for widespread upgrading is, as Vernon stated,

> that of recapturing and redeveloping urban neighborhoods in vast parcels--by the square mile rather than by the acre. Once a piece of real estate has been acquired which is so large as to insulate it utterly from the moldering neighborhood around it--once it is sufficiently large to be equipped with its own parks, schools, libraries, stores and social structure--then the possibility of successfully reusing the land for middle-income living increases considerably. /16/

Such large residential districts, or large institutional clusters or business districts, may not be developed unless large parcels of land are put together. Here, a second problem arises. Most urban land is held in small parcels. A government study of urban renewal acquisitions during 1962-63 showed the average parcel was .17 acres in size; in Baltimore the average was as low as four one-hundredths of an acre. If it is known that a developer is planning a large project, it is rational for each of the many small landowners to hold back his parcels of land, hoping to be the last to sell, and to capture a disproportionate share of the increase in value. In addition, the project is vulnerable to outright refusal to sell by some opponents of change.

These obstacles are not the pipedreams of economists. The Report of the National Commission on Urban Problems listed several examples:[3]

> In the Foggy Bottom section of Washington, for example, George Washington University acquired an entire block, with the exception of a one-half interest in a single house. The owner refused to sell, and it took the university nearly 15 years to acquire the site and complete the development. In Denver, assembly was attempted for a bank expansion and an apartment complex. Assembly at the beginning was "deceptively smooth." Most owners were glad to cooperate and wanted only fair prices. But problems arose as the assembler approached his goal. In one block, the owner of a single key lot had tentatively agreed to a price which was, in fact, more than he expected to receive. Then a real estate man, seeing the significance of the property to the whole assembly program, advised the landowner of his leverage, and the assembler ended up paying $50,000 more than the landowner originally thought satisfactory. /12, pp. 233-4/

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[3] Joseph Eichler, a builder and developer, described one of his experiences in trying to assemble land in San Francisco this way:

"one of the big things that prevents a private person from redeveloping any portion of this city is the difficulty of assembling the land. I once tried this myself when I first started in this business and was even more naive than I am now. I found an area which I thought would be a pretty good square block to buy, turn around, and redevelop. Well, I went around and I had a general idea of what I thought property was worth, there, and I was able to make a deal with the first two parties I approached. All the deals I offered were subject to my acquisition of the balance. The next place I came to I found tied up in litigation, and the next place belonged to people living in Austria. Then, of course, by that time the word had got around that somebody was trying to buy the area--so it became an impossibility. The main tool involved in redevelopment is the right of eminent domain. This is what you have to insist upon with the Government. It is impossible for private enterprise to do this without the aid of government, and by government I mean the various state, Federal and municipal agencies." (Footnote in /12/).

For these reasons there are often only two possibilities open if development is to take place. One is assembly over time through a variety of subordinate purchasers so that property owners do not guess the identity or intentions of the actual purchaser. Only very large institutions may have enough

ties to other investors to assemble enough "fronts", and even then, this method is risky. The other alternative is government action. Under the urban renewal laws of the United States, the local government, with federal support, can declare a section of a city a redevelopment area, and take by eminent domain that land which is not voluntarily sold. Generally, the land once assembled and cleared, is sold to private developers, often at a subsidized price. The need for legal compulsion in this process is underlined in the Douglas Commission report:

> Title IV of the 1965 Housing Act requires that local renewal agencies "make every reasonable effort to acquire real property by negotiated purchase." Yet 20 percent of the acreage acquired was through condemnation. Such condemnations may be necessary either because of disagreements as to price or because of clouds on titles. In Washington, 25 percent of the parcels acquired were condemned due to price disagreements. /12, p. 233/

The conversion of land to new uses through urban renewal or private assembly has to be carefully planned. A group must make a deliberate decision to take the land from another group, and to use either deceit or authority to carry out its project. As Vernon says of the actions of suburbs to exclude the poor, "this is warfare, not planning." To be sure,

the change in land use leads to higher land values, and perhaps to higher taxes for the city government.[4] In this sense, the manipulation of the market will increase economic product. But residents whose properties are taken by urban renewal authorities, or tenants evicted or forced out by rent increases may be left worse off by the change, even despite public compensation payments.

This loss in welfare occurs, fundamentally, because the low-income population whose housing is upgraded or demolished is left with a reduced housing stock in their price range. Often urban renewal, unlike expansion of the suburbs, actually reduces the housing stock. Even if it does not, so that eventually new housing will filter down to the poor, as the well-to-do move out of the suburbs, and middle-income groups move in behind them, there will be a long delay between clearance and the completion of the trickle-down process. In contrast, if suburban expansion leads to delayed filtering, the delay does not represent a period in which the poor have less housing than before expansion. The limitation of available housing is, of course, more severe in a housing market with as few vacancies and as little new construction as in the late 1960's, or among an ethnic group faced with a market limited by segregation.

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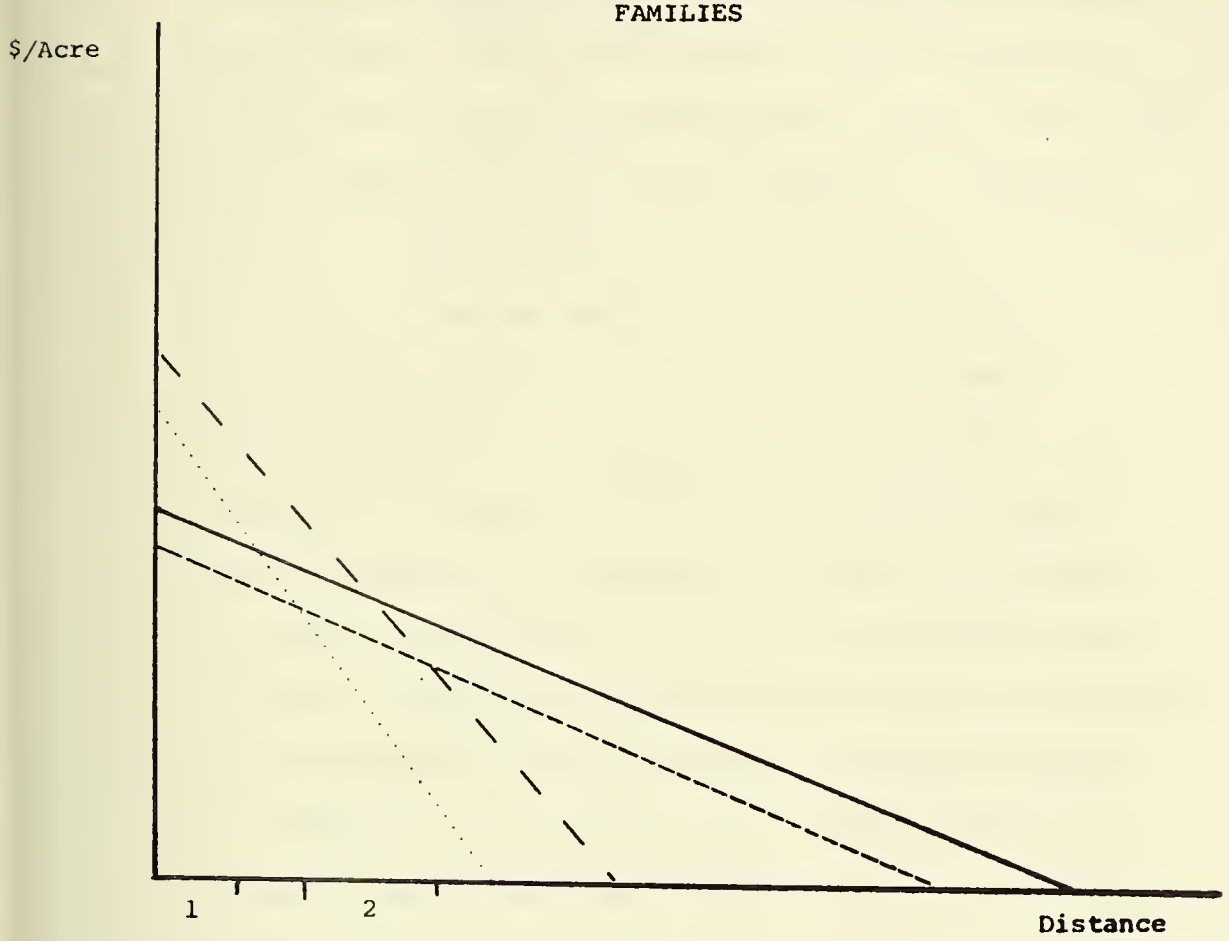
[4] Sometimes, however, the new user is a tax-exempt nonprofit institution, or is granted relief from taxes as part of the urban renewal program.

FIGURE FOUR

EFFECTS OF DOWNTOWN RENEWAL ON BID-PRICE CURVES OF MIDDLE AND LOW INCOME FAMILIES



1 = area converted from low to high income use

2 = area converted from middle to low income use

------- middle-income families before

——— middle-income families after

..... low-income families before

— — low-income families after

The result is that the low income group bids up the price of space available. As the bid-price curve for low-quality housing is forced upward, the poor must absorb more crowding, or pay a larger share of their income for housing, and move into new neighborhoods. This in turn puts pressure on middle-income families, which in turn must pay more for housing, accept more crowding, or move further into the suburbs. Neighborhoods pass from use by one group to use by another, often with racial conflict accompanying the change. The process is depicted formally in Figure Four. Even if public agencies attempt to find vacant housing for those displaced, or if compensation payments are sufficient to cover the former market prices of the demolished housing, the former occupants of the redeveloped sites are made worse off, and, despite a possible increase in aggregate product, no unambiguous statement in welfare economics can be made approving the process. One can merely point to a conflict, and describe its outcome.

III. THE BATTLES FOR DOWNTOWN

The outcome has often been a series of specific victories for the elite. To be sure, the amount of land reclaimed has thus far been relatively small. In 1961, Vernon could say the amount of reclamation, viewed from the air, was so small as to be insignificant. The area is still small, but it is growing. Between 1949 and 1961, 127,136 families were removed from their dwellings by urban renewal

projects. From 1962 to 1964, 58,045 more were evicted. More important, the effect of these reconquests has been to generate a very large amount of political conflict. The poor claim that urban renewal is "Negro removal" in some cities. The middle class whites lash back at movement of displaced nonwhites into their neighborhoods in others. Physical obstruction of construction projects, picketing and even riots have occurred. This is a significant departure from a situation in which more construction means at least some gain for all groups: the situation that welfare economics can approve and which allows pluralist democracy to function.

An early example of this conflict, which shows both the need for planned uniform land uses, and the lack of consensus over these uses has been described by Mowitz and Wright. /10/ The Gratiot neighborhood of Detroit, "129 acres of the city's worst slum," with nearly 2,000 Negro families as residents, was razed by the city over the objection of some white neighborhoods which feared the influx of relocated families. The original intention was to rehouse many of the families in public housing within the project area. Most demolished dwellings had been one or two family houses. Good-quality but higher-density housing would avoid massive dispersal, and clear some of the tract for new uses, and improve housing standards for the poor. The evicted residents were told, "Many hundreds of new dwellings

will be built. Some of it will be rental housing and some will be available for purchase. Many of you will undoubtedly move back into the area when redevelopment is completed, as either renters or owners of a dwelling." The St. James Baptist Church, which had a Negro congregation, was left standing in the expectation that its parishioners would return. /10, p. 37/

Once clearance was begun, however, other groups began to take an interest in the land. The director of the Detroit Housing Commission admitted that along with rehousing the previous residents, there was

> another important factor that we must consider--that is the desire of many middle-income groups to live close to the downtown area. These people should be provided for, and, in doing so, we minimize the danger of establishing economic ghettos through our redevelopment program. /10, p. 47/

The original plan for mixed land uses could have accomplished this, but for marketing problems. A survey of possible demand, made in 1955 by the Real Estate Research Corporation, confirmed in this particular case what our general model has predicted. There was a market for downtown housing among well-paid business-district employees. But there was not as much demand for housing in mixed projects.

The results of the survey have been summarized by Mowitz and Wright:

> The analysts distributed 6,061 forms to employees in the central business district, 5 percent of those employed in the area. The key question stated that investors were considering a "fine, modern development on the Gratiot site, and respondents were asked if they would be interested in living in such a development, with rents ranging from $85 a month for an efficiency apartment to $145 for a three-bedroom unit. Twenty-three percent answered in the affirmative. The next question asked whether occupancy by both colored and white tenants would make the development less attractive, more attractive or have no effect. Among those who said they were interested in the area, 1,244 were whites and 125 were Negroes. Seventy-six percent of the white respondents said that the mixed occupancy would make the project less attractive to them, and so did 2 percent of the Negroes. /10, p. 63/

Survey results were clearly influenced by respondents' expectations that Negro tenants would be poor. Token integration of upper-income housing has often not been a problem. But housing mixing races and income levels, as in the original plan, was clearly rejected.

Detroit thus faced an either-or choice of land use: low-income housing for Negroes, or high-income housing, with

the original residents permanently displaced. The conflict could not be resolved through new public housing elsewhere, because no white neighborhood would accept it. Low cost housing on the site would also have required public construction; private developers judged it could not be profitable. The city, however, lost interest in public housing, in part because the federal government made funds for this hard to obtain, in part out of concern for its tax base. Arguments against building segregated housing could also be made by opponents of public projects. In addition proponents of middle or high income construction organized directly. A Citizens Redevelopment Committee was appointed by the mayor; its officers included several businessmen and the president of the United Auto Workers. They recommended private development of a high-rent development, which allowed for some less costly housing at the edges of the project, but not for absorption of many of the former residents.

James W. Bell, a former City Plan Commission member and employee of a building firm, was the instigator of the Citizens Committee. Mowitz and Wright comment:

> It is rather extraordinary for a private citizen to move in and take control of a project from two major city agencies, the Housing and Plan Commissions, but Bell's excellent contacts at the operating level of the community decision-making system permitted him literally to play

> the role of co-ordinator. The interest of the department store consultant, and the banker in urban redevelopment was obvious, whereas labor's interest was less obvious. Bell knew, however, that Reuther and some of his top associates were eager to prevent the Gratiot site from becoming a receptacle for low-income Negro families... With the support of Reuther, combined with that of Winter, representing Detroit's largest department store, The J. L. Hudson Company, plus support from mortgage and banking circles through Gessell and Gehrke, Bell was able to put together a formidable coalition, which, in fact, took over the Gratiot project. /10, p. 77/

The take-over was thorough. The Citizens Committee was reorganized into a non-profit Redevelopment Corporation, which received contributions from the big three automobile companies, several other manufacturing and utility corporations, the Hudson department store, the National Bank of Detroit, and the United Auto Workers. This corporation in collaboration with a private corporation, purchased and developed the land. The project as finally completed included high-income apartments and single-family houses. The plans for public housing in part of the area were abandoned completely: the committee did not want one boundary of the site to consist of a large, Negro neighborhood. In the first building opened, monthly

rents ranged from $85-120 for efficiency apartments to $190-210 for two-bedroom units. Four percent of tenants were Negro. The St. James Baptist Church sold its building to the developers and moved.

A similar scenario has been enacted in many other cities. The main entrepreneur of the project may vary: a mayor or city official in some cases, a private developer in others, an institution such a university in still others. A frequent participant is a committee of businessmen such as the Greater Baltimore Committee, whose chairman commented urban redevelopment "must have the day to day participation of the so-called power structure of the business community," /5/ or the Citizens' Action Committee in New Haven. The mayor there said

> We've got the biggest set of muscles in New Haven on the CAC...They're muscular because they control the wealth, they're muscular because they control the industries, represent the banks...They're muscular because they're articulate, because of their financial powers, and because of the accumulation of wealth and prestige which they have built up over the years. /3, p. 130/

In most cases, whatever the exact composition of the planning group, the results have been similar: more low-rent housing is torn down than is constructed.

Table One shows the numbers of housing units demolished and low-income housing constructed both under the public housing laws in effect before the 1949 housing act, and between 1949 and 1957. The figures show that before midcentury public housing did represent a net addition to the low income housing stock. More recently, though, demolitions have exceeded construction, both nationally and in most older cities. There are a few exceptions, like Houston and Los Angeles (where less-densely settled land is available), New Orleans, Newark and New York.[5] Most cities, though, have come closer to the Detroit model. These figures, furthermore, do not include demolitions for construction of freeways and other roads, which are often constructed in relation to new projects, or as an alternative response to the upper-income desire for easier access to the center of the city. In some cities, it has also appeared that highways have been located as barriers, to protect the new upper-income downtown areas from surrounding slums.

A further factor in the battle over downtown space has, in many cases, been university participation. Redevelopment struggles have centered around universities for several

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[5] In New York, an early high-income project proved so politically unpopular as to make the housing commissioner say, "I can't begin to count the hours I have spent defending the city's programs and promising with my blood that there will not be another Kip's Bay." But the relative lack of destruction there and in Newark may also be due to the presence of sections into which high-income users will not move even after clearance.

TABLE I

COMPARISON OF PUBLIC HOUSING WITH DWELLING UNITS DEMOLISHED

FOR PUBLIC HOUSING OR AS RESULT OF URBAN RENEWAL

City	Before 1949 Housing Act			1949-1957		
	Units Demolished	Units Built	Gain or loss	Units Demolished	Units Built	Gain or loss
New York	12,545	14,171	+ 1,626	43.869	50,462	+ 6,593
Chicago	3,467	8,483	+ 5,016	27,929	24,479	- 3,452
Los Angeles	529	3,468	+ 2,939	5,801	5,819	+ 18
Philadelphia	2,862	3,248	+ 386	19,279	12,471	- 6,803
Detroit	424	4,879	+ 4,455	12,063	3,301	- 8,762
Baltimore	4,242	5,021	+ 779	13,229	5,314	- 7,915
Houston	2,210	2,251	+ 41	0	348	+ 348
Cleveland	3,977	5,179	+ 1,202	3,977	2,279	- 1,698
Washington	563	3,147	+ 2,584	8,505	6,909	- 1,596
St. Louis	1,318	1,315	- 3	9,860	5,430	- 4,930
Milwaukee	0	615	+ 615	4,126	2,415	- 1,711
San Francisco	179	1,741	+ 1,544	8,591	4,142	- 4,449
Boston	5,619	5,102	- 517	11,767	5,871	- 5,896
New Orleans	3,837	5,381	+ 1,544	576	6,889	+ 6,313
Newark	2,075	2,711	+ 636	6,928	8,180	+ 1,252
Cincinnati	1,675	3,818	+ 2,143	10,421	2,404	- 8,017
Louisville	2,671	3,005	+ 334	7,967	1,957	- 6,010
Minneapolis	0	464	+ 464	7,669	2,825	- 4,844
Pittsburgh	2,659	4,463	+ 1,804	7,862	4,771	- 3,091
Atlanta	3,466	5,188	+ 1,722	8,264	3,794	- 4,470
Providence	173	1,056	+ 883	5,777	1,916	- 3,861
Dayton	712	1,191	+ 479	4,309	1,143	- 3,166
Norfolk	0	730	+ 730	6,043	2,990	- 3,053
New Haven	724	1,035	+ 311	3,994	1,092	- 2,902
(74 city total)	76,895	126,496	+49,601	320,392	230,795	-89,597

Sources: Building the American City (Douglas Commission Report) [12]. The cities listed individually are the 12 largest and 12 others with major urban renewal programs

reasons. Their location in older cities is often in areas which have become slums, long after the university was built. They have an incentive to seek the conversion of surrounding land back to more congenial uses. Secondly, the universities have been expanding in recent years, both to increase their enrollment, and to take on new research functions. Their expansion also leads to new private demand for residences and commercial properties near them. Finally, universities have good connections: their alumni often hold positions in government or financial institutions which can influence land use. Their faculties have legal, planning and bargaining skills. When universities wish to recapture territory, they can sometimes wield considerable power for this purpose.

For example, when the University of Chicago wished to acquire land, its lawyers interested the state legislature in passage of a bill to charter local redevelopment corporations, with the power of eminent domain over neighborhoods in which owners of 60 percent of the property agreed to renewal. This removed the problem of parcel assembly, when the university wished to replace a 14 1/2 acre tract of slums with apartments for students. The local corporation was formed over a somewhat larger neighborhood, in which owners of 61 percent of the land agreed to the project. This 61 percent figure included holdings by the university itself. The racial composition of the blocks razed, 79.9 percent Negro, as opposed to 54.3 percent in the corporation area and 36.7 percent in

the entire Hyde Park-Kenwood area adjacent to the university became a central grounds for dispute. /14/

A study of this renewal project, by two University of Chicago sociologists, also shows uses of power by the administrator of the South East Chicago Commission, which the university had established.

> The Commission hired two full-time private policement to investigate a lake-front hotel that had become known in the community as the locale of various criminal activities, and the information was then given by Julian Levi to the insurance company that insured the hotel...Foreclosure forced out the operators of the hotel, and, understandably, the new managers took pains to remove the criminal elements...
>
> When a real estate speculator purchased a six-family apartment house and promptly moved in nine Negro families, the local block group of the Hyde Park-Kenwood Community Conference spotted the move and reported it... Julian Levi visited the speculator, threatened him with legal action for violating the housing code, and confronted him with evidence of overcrowding; at the same time a generous offer to buy was made by the University real estate

> office. The speculator sold the apartment dwelling to the University on the next day, and one day later the nine Negro families were moved out by the University's real estate managers. Had this purchase and eviction not been possible, legal action through municipal channels would at best have achieved the levying of fines against the speculators...Levi was able to obtain tighter controls on the issuance of building permits, which include conversion construction. In this effort, Levi effectively brought to bear his own legal skills and executive abilities. Identical efforts had been made with less success by the Hyde Park Planning Association earlier, and by the volunteer legal panel of the Community Conference. /14, pp. 81-83/

University land clearance methods have often been attacked by students who first learn of such activities, and who charge that plots are afoot to drive out low-income neighbors.[6] Since, in urban renewal, uses of secrecy or authority

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[6]For example, a pamphlet Who Rules Columbia? (1968) discussed the role of trustees of that university in land assembly programs and another, Harvard, Urban Imperialist (1969) attacked the role of that school, and organizations in which it participates, in altering land uses in Cambridge, Mass.

are often present, revelations are often easy to make. The student pamphlets usually underline two propositions consistent with our analysis: that redevelopment does require explicit (public or private) planning, and that it does involve the transfer of land from use by one group to use by another, so that a conflict is in fact involved. Of course, some might argue that the replacement of decaying low-income dwellings with higher-priced residences and research facilities is in the interest of the nation, as well as the maximization of the property values of the area. From this perspective, the benefits might justify the costs imposed on those forced out by demolition and rising rents, but this does not negate the fact of conflict.

In the Chicago study, however, the authors, Rossi and Dentler, present an interpretation which de-emphasizes conflict. They see the controversies surrounding renewal of the area near the university as failures in a public relations process, a failure to achieve consensus. They do recognize that, "Any plan that would attempt to remove slums, modernize community facilities, revamp the grid street pattern, and reduce total available housing would inevitably clash with individual interests. Any plan would also alter the population composition." /14, p. 56/ The emphasis is on the italicized first sentences: the interests harmed are seen as individual, not groups at the losing end of an intergroup conflict. The impression given is that by better

communication, appropriate compensation could have been achieved, and consensus established. But the second sentence at least admits possibilities of conflict.

High-income demand on downtown housing does not necessarily lead to a take-over of land. Sometimes insufficient ability to plan renewal exists; at these times the conflict is not a one-sided victory for the elite. The need for a planner or entrepreneur is pressing. /2/ But sometimes nobody is available in the role, as Dahl wrote of New Haven.

> Perhaps the most significant element in the modern history of city planning in New Haven is that very little happened until redevelopment became attached to the political fortunes of an ambitious politician. Redevelopment was not produced by the wants and demands of the Economic Notables, even though many of them believed that changes in the physical pattern of the city were necessary to their own goals. /3, p. 115/

Once such an entrepreneur was available in New Haven, he found success through a pattern of development favorable to the Notables, but the change would have been slower, and perhaps not have occurred at all, had he not appeared.

Similarly, without James Bell in Detroit or the University of Chicago in Hyde Park-Kenwood, renewal might not have taken place.

There are also cases in which low-income communities have successfully defended their turf.[7] When the University of Chicago attempted to expand to the south, the Woodlawn neighborhood, which had the organizational assistance of Saul D. Alinsky, a professional community organizer, and which had also seen the experience of the redevelopment of Hyde Park-Kenwood to the other side of the campus, was able to limit expansion, and secure renovation of some low-income homes, in their existing sites, as a price for permitting the taking of a few blocks. In 1960, the university had announced plans for a major project in Woodlawn, and told local small businessmen they could "either accept the plan and help or sit back and watch it go through." They, however, joined with the tenants Alinsky had organized. In spite of university claims that "There is nobody to speak for the community. A community does not exist in Woodlawn," the Woodlawn Organization mustered enough strength to convince Mayor Daley it was expedient to make the university bargain with the community organization. /15, pp. 335-345/

That the outcome of land-use conflict can go either way may be encouraging to those with a sense for fair play. But it does not alter the conclusion that land is now being

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[7] At other times, city wide political opposition may prevent renewal if enough middle-income neighborhoods fear that those of lower incomes or different races will be displaced into their neighborhoods from project sites.

allocated through political conflicts, rather than by a market to whose operations all groups could consent, as in the first half of the century. In general also, this political conflict is more often than not weighted toward the side of those well-to-do groups and elite institutions, which seek to recapture central city land from residence by the poor. They have more experience with politics, more ties to or control of key institutions. For example, these groups are not likely to face a credit freeze by financial institutions. Such a freeze, or one on insurance, has at times been directed against inner-city low-income neighborhoods, either for deliberate purposes of altering land use, or because financial institutions considered slum improvement to be a bad investment and thus engaged in a self-fulfilling prophecy.[8]

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[8]Low-income neighborhoods have at times been able to rehabilitate their neighborhoods enough to prevent condemnation, despite these freezes. Jane Jacobs has cited two examples of white low-income neighborhoods. In the Back-of-the-Yards of Chicago, a strong community organization confronted the banks politically and secured credit. Boston's North End survived because its residents included skilled workers engaged in the building trades who have contributed or exchanged their services to improve North End buildings. In short, the North End reverted to primitive methods of barter and hoard that worked before there were banking systems. [7, p. 196] That these communities have survived does not, however, negate the importance of lack of credit access as a differential handicap to poor communities in the conflict over space.

The emerging trend in land use is thus a reconversion of downtown space to high income housing and institutional uses, based not on separate market decisions, but upon the outcome of a political struggle. And it is a trend with implications in economic welfare and in political consensus itself. As the downtown area undergoes conversion, its low-income residents are forced to move into more crowded quarters or further from the center. Increased demand for a limited supply of old homes will drive rents upward, at least temporarily, and permanently if the total housing supply is decreased or if segregation is enforced by the suburbs. Even apart from these economic losses or those of increased commuting burdens, the families and communities evicted will feel themselves worse off. Compensation payments never cover the loss of neighborhood externalities. The poor who lose out in the struggle for downtown space are thus likely to be embittered by the experience.

The Kerner Commission report found that complaints about urban renewal were significant grievances in nine of twenty cities experiencing riots, while complaints of some kind against inadequate housing were found in eighteen of the cities. [11]

The middle class may also be upset by the new pattern. The pressure of displaced poor nonwhites on surrounding neighborhoods can lead to bitterness by the latter, particularly if as in the late sixties high interest rates and construction

costs limit the pace of new construction. The use of urban renewal powers of the government also involves tax burdens which the middle-income population resents. Potentials for a backlash and a tax revolt are thus intensified.

The traditional pattern, as described by Vernon, is thus destroyed. There can no longer by a consensus by all income groups that continued operation of the market will make all better off. To let the market operate would leave the well-to-do dissatisfied, so they contravene its workings, and recapture some downtown land. Poor and middle-income communities are also learning to organize outside the market in defense of their "turf". The urban land market, rather than solidifying political consensus as it once did, is now the scene of inherent political tensions.

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